

CITIZEN'S GUIDE TO THE BUDGET FISCAL YEAR 2005 - 2006



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Budget Highlights

The following areas are highlighted in the County Administrator's Message:

- Education
- Public Safety
- Human Services
- Economic Development
- Regional Cooperation
- Employee Benefits

COUNTY ADMINISTRATOR'S MESSAGE

The FY2005-2006 budget will invest in our youth, our seniors, our families, and infrastructure needs by allocating resources in support of the Board's priorities and changing community needs—education, public safety, and quality of life enhancements are at the forefront of these priorities.

We continue to engage in short and long-range planning to keep Roanoke County solvent and strong in future years. We continue to consider long-range issues, facility needs, cooperative ventures, and new ways to provide better, more efficient services demanded by our citizens.

While the FY05-06 budget represents the plan for the provision of services for the next year—the focus of the budget extends many years

beyond.

Budget Highlights

Education

Transferred operating funds totaling \$58,966,370 to help fund an average 4% salary increase and other program enhancements.

The county approved a plan and funding mechanism with the School Board to fund \$10 million of capital projects each year on a recurring basis.

Public Safety

The Board approved funding for 12 additional Paramedic/Firefighters. Funding will come from revenues generated by the Fees for Ambulance Transport program.

A new police patrol district was formed with the addition of 6 uniformed officers through a Homeland Security Grant.

The County has broken ground and will begin construction of the \$30 million Public Safety Center, which was previously approved by the Board.

The County continues to work with partner localities for construction of the new regional jail. The funding for the estimated \$20 million County share of the capital cost has been identified and included in the Capital Improvements Plan.

Human Services

Identified funding in the

(Continued on Page 2)

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) is a schedule of public improvements that may be made over the next five-year period. The CIP provides a systematic approach to planning, evaluating, monitoring and financing capital projects on an annual basis.

A CIP review committee, comprised of county citizens, has been established to evaluate and prioritize capital needs from a community perspective. The Board of Supervisors considers the committee's recommendations when developing the capital budget.

The list of approved Capital Projects for Fiscal Year 2006 is found in the Annual Fiscal Plan under the Capital Projects Fund tab and in the county's Capital Improvement Program FY2006 - 2010 document. The total appropriated funds for FY2006 towards capital spending is \$4,853,046.

COUNTY ADMINISTRATOR'S MESSAGE

(CONTINUED FROM PAGE 1)

Capital Improvements Program (CIP) for land acquisition and A&E work for a new south county library. Construction of the new library is planned for FY2009-2010.

Identified funding in 5-year CIP for renovations to Garst Mill Park due to severe flood damage.

Parks, Recreation, and Tourism will engage in an extensive master planning process during FY05-06 to determine the long-range direction of the department based on community preference.

Increased funding to Human Service, Cultural, and Tourism organizations in the

Roanoke Valley by approximately \$50,000.

Economic Development

Continued funding for development of the Center for Research and Technology in the amount of \$1,157,000.

Regional Cooperation

Roanoke County and Roanoke City formed the Western Virginia Water Authority in July 2005 to better serve the residents of the Roanoke Valley in regards to water and sewer services.

Joint Agreements have been approved with Roanoke City

for Fire and Rescue Staffing at select stations.

Employee Benefits

A salary increase averaging 4% for County and School employees has been allocated to next year's budget. The County cost of this increase is \$1,572,000.

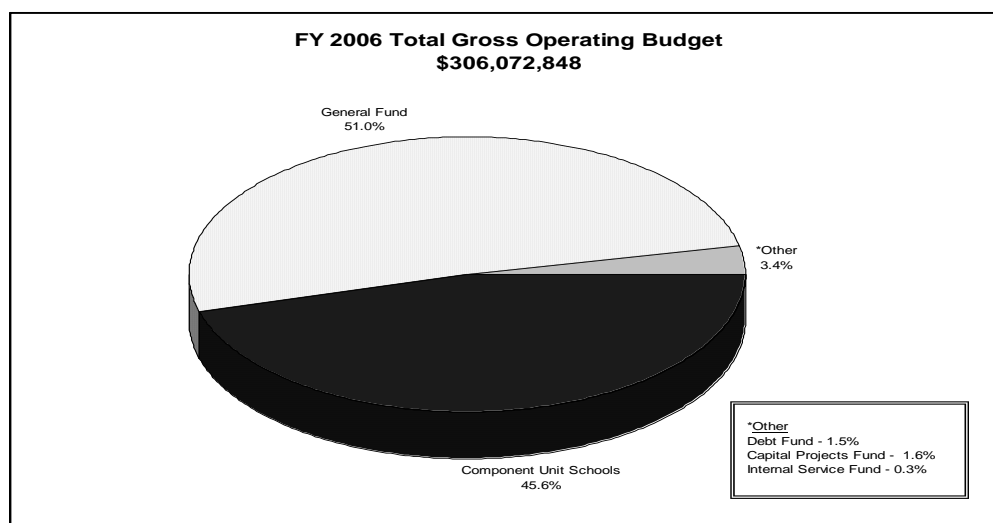
Health Insurance increases of \$389,000 has been allocated due to an increase in plan costs.

Market adjustments for various departments, including Public Safety, totaled \$602,427.

FY2006 Tax Rates

<i>Tax Rates</i>			
	<u>2003-2004</u>	<u>2004-2005</u>	<u>2005-2006</u>
Real Estate	\$1.12	\$1.12	\$1.12
Personal Property	\$3.50	\$3.50	\$3.50
Machinery and Tools	\$3.00	\$3.00	\$3.00

FY2006 Total Gross Operating Budget \$306,072,848



	Actual	Budget	Adopted	Increase
	FY 2004	FY 2005	FY 2006	(Decrease)
General Fund:				
General Government	\$ 131,907,970	\$136,228,566	\$144,392,088	\$ 8,163,522
Life Skills Mentoring	220,669	271,669	282,025	10,356
County Garage	302,212	346,392	352,568	6,176
Internal Service Charges	2,893,033	2,974,293	3,180,667	206,374
Recreation Fee Class	898,618	981,694	962,066	(19,628)
Law Library	38,102	41,735	41,648	(87)
Comprehensive Services	4,038,482	5,037,171	5,476,206	439,035
SB&T Building	374,345	404,273	430,063	25,790
Grants and Other	1,807,064	-	-	-
E-911 Maintenance	979,172	970,000	903,158	(66,842)
Total General Fund	143,459,667	147,255,793	156,020,489	8,764,696
Component Unit Schools	115,943,165	133,825,168	139,755,052	5,929,884
Debt Service Fund	11,312,158	3,035,130	4,479,756	1,444,626
Capital Projects Fund	21,683,658	3,584,345	4,853,046	1,268,701
Water Fund	7,050,734	-	-	-
Sewer Fund	4,920,377	-	-	-
Internal Service Fund	918,895	957,700	964,505	6,805
Total All Funds	\$ 305,288,654	\$288,658,136	\$306,072,848	\$ 17,414,712
Less: Fund Transfers	72,055,939	81,370,548	81,945,319	574,771
Total Net of Transfers	\$ 233,232,715	\$207,287,588	\$224,127,529	\$ 16,839,941

**FY2006
Summary of
All Funds
\$224,127,529**

County Of Roanoke FY 2005-2006 Budget Calendar

August

- Begin Capital Improvement Program process
- Requests for re-appropriation of unencumbered operating balances into the next fiscal year

September

- CIP project funding requests due to MB by September 3, 2004
- Departmental Annual Reports due to MB by September 24, 2004

October

- CIP Review Committee meets to prioritize projects and make recommendations
- Begin Business Planning departmental review process
- Completed County Departmental Annual Report available late October 2004

November

- Revised Business Plans due to MB by November 19, 2004

December

- Prepare preliminary revenue estimates
- CIP Review Committee Final Recommendation
- Personnel Verification Reports distributed to Departments

January

- Revenue team meets to discuss projections. Preliminary revenue projections completed.
- CIP work session with Board of Supervisors
- Begin Investment Budgeting Process - Targets line items distributed to Departments
- Personnel Verification Reports due to MB by January 28, 2005
- Investment budget requests (Target Allocations) due to MB January 28, 2005

February

- Budget presentations to the County Administrator
- Mid-Year Revenue and Expenditure Reports completed
- Public Hearing: General Comment on FY2005-2006 budget
- Public Hearing: Tax rates and tax assessments

March

- Board adopts tax rates
- Line Item Budget Available for Board Review
- Work Session: Joint County Board of Supervisor/School Board
- Work Session: Contributions from local service agencies

April

- Board adopts School budget
- County Administrator presents budget to the Board of Supervisors
- Public Hearing: Proposed budget

May

- First reading of appropriation ordinance
- Board adopts FY2005-06 Budget and CIP
- Second reading of appropriation ordinance

***FY2005 - 2006
Budget
Adopted on
May 24, 2005***

FREQUENTLY ASKED QUESTIONS

What is the amount of the County's budget? What does it include?

The total County FY04-05 budget adopted by the Board of Supervisors is \$306,072,848. This includes all transfers between funds and provides for general government services (police, fire/rescue, refuse collection, parks & recreation, social services, etc.), schools, water/sewer, capital projects, and debt service payments. After eliminating transfers, \$224,127,529 represents "cash" expenditures for all County goods and services. These expenditures are funded with revenues derived from taxes, fees, user charges, reimbursed costs, and state and federal allocations.

How are property taxes set by the County? -- County property taxes are based on current market values. They are generally conceived to be an ad valorem tax, which means that a tax levy is apportioned among taxpayers according to the values of property change annually. The best way to assess current market value is to conduct annual property assessments. The current sales price to assessment value ratio is 88.62%; meaning that the average property is assessed at 88.62% of the price at which it could be sold.

Does the Board of Supervisors approve expenditures for County Schools? -- The Roanoke County School Board approves and has oversight of the school budget. While the County Board of Supervisors determines the total amount of local tax dollars spent on education (via transfers to schools), the School Board is responsible for allocating these funds to individual programs in the school system. State law dictates that the County Board of Supervisors "approve" the School Board's budget as part of the County's annual budget process.

What is the County's approach to budgeting? -- The County uses an "incremental approach" to prepare its budget. Specifically, each department's budget increase is an increment of the prior year's budget. An incremental approach does not mean an automatic budget increase. Departments provide detailed justification for every request for a budgetary increase.

How does the creation of the Western Virginia Water Authority impact County citizens? --

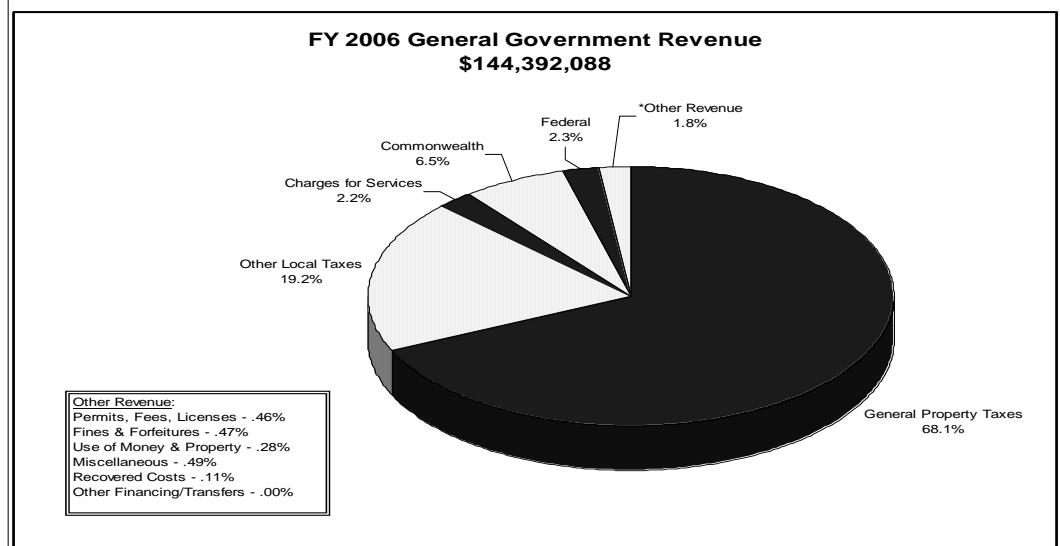
On July 1, 2004, the water and wastewater operations of the City of Roanoke and Roanoke County were officially consolidated as the Western Virginia Water Authority, an incorporated public body independent of local government. This joint utility venture combines the two localities' existing assets, liabilities, personnel and billing systems. When the Authority became operational, the County transferred approximately \$28 million and 68 employees. The City likewise transferred personnel and assets to the Authority. The regional Water Authority brings the most water with reasonable rates and excellent service to both Roanoke City and Roanoke County. By sharing multiple water sources, both jurisdictions have better drought protection and emergency backup.

***FY 2005 - 2006
Adopted Budget
Total
\$306,072,848***



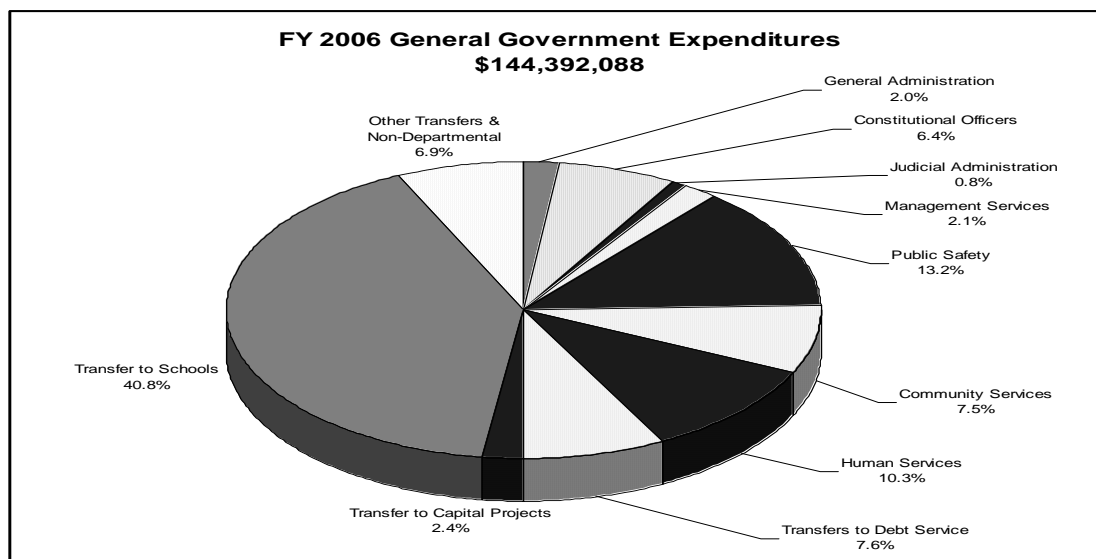
***FY2006
General
Government
Revenues
\$144,392,088***

	Actual FY 2004	Budget FY 2005	Adopted FY 2006	Increase (Decrease)
General Property Taxes	\$ 88,152,232	\$ 93,189,846	\$ 98,325,000	\$ 5,135,154
Local Sales Tax	7,152,543	7,400,000	7,750,000	350,000
Business License Tax	4,835,035	5,050,000	5,075,000	25,000
Consumer Utility Tax	5,008,648	4,775,000	5,020,000	245,000
Motor Vehicle License Fees	1,774,956	1,760,000	1,800,000	40,000
Meals Tax	2,870,557	2,860,000	2,980,000	120,000
Other Local Taxes	3,580,575	3,445,000	3,775,000	330,000
Commonwealth	8,368,956	9,010,728	9,327,619	316,891
Federal	3,893,382	2,650,000	3,257,469	607,469
Recordation/ Conveyance Tax	1,275,313	1,195,000	1,275,000	80,000
Permits, Fees & Licenses	720,637	633,577	667,300	33,723
Fines and Forfeitures	680,283	599,200	676,000	76,800
Interest Income	361,512	403,900	404,900	1,000
Charges for Services	2,640,839	2,397,200	3,176,750	779,550
Other	1,284,009	859,115	882,050	22,935
Total	\$ 132,599,477	\$136,228,566	\$144,392,088	\$ 8,163,522



	Actual FY 2004	Budget FY 2005	Adopted FY 2006	Increase (Decrease)
General Administration	\$ 2,554,415	\$ 2,702,063	\$ 2,818,430	\$ 116,367
Constitutional Officers	8,863,998	8,936,527	9,266,828	330,301
Judicial Administration	974,333	1,110,435	1,110,435	-
Management Services	2,788,844	2,862,206	3,037,957	175,751
Public Safety	18,391,302	17,273,121	19,048,789	1,775,668
Community Services	10,910,576	10,552,518	10,858,250	305,732
Human Services	13,981,312	14,014,169	14,902,999	888,830
Non-Departmental	1,387,251	5,940,504	7,455,093	1,514,589
Transfer to Schools	56,539,339	56,717,524	58,966,370	2,248,846
Transfers:	15,516,600	16,119,499	16,926,937	807,438
				-
Total	\$ 131,907,970	\$ 136,228,566	\$ 144,392,088	\$ 8,163,522

***FY 2006
General
Government
Expenditures
\$144,392,088***



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The Citizen's Guide to the Budget is intended to give citizens and others a basic understanding of the annual budget process followed by the Roanoke County Board of Supervisors. It is hoped that citizens will become more involved in the budget process as they gain more awareness of the budget process and its place in Roanoke County government.

The County's budget is a fiscal plan showing estimated expenditures, revenues and service levels for a specific fiscal year. This guide will cover numerous topics relating to the budget and how it is developed.

The Annual Fiscal Plan is managed by the Department of Management and Budget under the direction of the Board of Supervisors and the County Administrator (see chart below).

Board of Supervisors

Michael W. Altizer, Chairman - Vinton Michael A. Wray, Vice-Chairman - Cave Spring Joseph B. "Butch" Church - Catawba Richard C. Flora - Hollins Joseph P. McNamara - Windsor Hills	
County Administrator Elmer C. Hodge, Jr.	
W. Brent Robertson Chad E. Sweeney Cathy G. Tomlin	Director of Management and Budget Budget Manager Budget Analyst

